# STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

June 27, 2014

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii PSF No. 14OD-080

<u>Oahu</u>

Grant of Perpetual, Non-Exclusive Easement for Utility Purposes to Hawaiian Electric Company, Inc.; Issuance of Immediate Construction and Management Right of Entry, Honolulu, Oahu, Tax Map Key (1) 2-1-015:portions of 009 & 030.

#### APPLICANT:

Hawaiian Electric Company, Inc.

#### **LEGAL REFERENCE**:

Section 171-55 and 95, Hawaii Revised Statutes, as amended.

#### LOCATION:

Portion of Government lands situated at Honolulu, Oahu, Tax Map Key (1) 2-1-015:portions of 009 & 030, as shown on the map attached as **Exhibit A**.

#### AREA:

To be determined.

#### **ZONING:**

State Land Use District: Urban

City and County of Honolulu LUO Waterfront Industrial

### **TRUST LAND STATUS**:

Section 5(b) lands of the Hawaii Admissions Act DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

#### **CURRENT USE STATUS:**

Encumbered by Governor Executive Orders No. 4228 and 4238 to the Department of Business, Economic Development and Tourism [for Continued Foreign Commercial Uses] and the Department of Transportation [for Continued Manifested Cargo and Passenger Operation] respectively.

#### **CHARACTER OF USE:**

Right, privilege and authority to construct, use, maintain, repair, replace and remove utility lines over, under and across State-owned land.

#### **COMMENCEMENT DATE:**

To be determined by the Chairperson.

#### **CONSIDERATION:**

Gratis requested.

The proposed easement will serve the renovation currently undertaken by DBEDT for additional office spaces in the foreign trade zone, and DBEDT will assume all costs associated with this infrastructures upgrade project. DBEDT supports the request from HECO for the proposed easement to be granted at gratis. Otherwise, any consideration payable for the proposed easement would be an added cost to DBEDT. Staff has no objection to the request for gratis consideration.

#### **CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:**

In accordance with Hawaii Administrative Rule Sections 11-200-8(a)(3)(d) & (4), HAR and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated December 4, 1991 exempt the subject request from the preparation of an environmental assessment pursuant to Exemption Class No. 3.d, that states "Construction and location of single, new, small facilities or structures and the alteration and modification of the same and installation of new, small, equipment and facilities and the alteration and modification of same, including, but not limited to: ... Water, sewage, electrical, gas, telephone, and other essential public utility services extensions to serve such structures or facilities; accessory or appurtenant structures including garages, carports, patios, swimming pools, and fences; and, acquisition of utility easements;" and Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation." See Exhibit B.

## DCCA VERIFICATION:

Place of business registration confirmed:	YES _	X	NO	_
Registered business name confirmed:	YES _	X	NO	_
Applicant in good standing confirmed:	YES	X	NO	

#### **APPLICANT REQUIREMENTS:**

- 1. Provide survey maps and descriptions for the subject easement, according to State DAGS Survey Division standards, at Applicant's own expense; and
- 2. Obtain designation of easement approval from the Department of Planning and Permitting of the City and County of Honolulu.

#### REMARKS:

DBEDT is undergoing renovation to create more office spaces within its foreign trade zone. The targeted tenants will be private businesses that operate within the foreign trade zone. As part of the basic infrastructures, the existing utility lines needed to be upgraded. Upon discussion between DBEDT and HECO, an alignment of the new line was agreed to, which is over portion of State lands set aside to DOT as well as DBEDT. A drawing attached as **Exhibit C** depicts the location of the new line.

There were some discussions regarding the rationale of recommending a perpetual instead of a term easement over State lands. Staff understands the State generally favors a term easement over perpetual. However, the requested easement will serve the State facilities under an executive order. Normally, an executive order does not have any expiration date, unless the agency ceases using the lands for the public purposes stated in the executive order. To address the concern, a condition will be inserted in the requested easement by stipulating such easement shall be deemed to expire upon cancellation of such executive order.

Foreign Trade Zone, Department of Facility Maintenance, and Department of Health have no objection to the request. State Historic Preservation Division, Department of Transportation (Harbors Division), Department of Planning and Permitting, and Office of Hawaiian Affairs have not responded to the solicitation for comment before the deadline.

Board of Water Supply recommends the applicant's use of the location shall not interfere with the Board of Water Supply's use of the location. It is a standard condition in the easement document that requires the grantee to use due care and indemnify the grantor against any loss, damage etc. Therefore, staff does not believe an additional condition is required.

HECO also requests for an immediate construction and management right-of-entry prior to the issuance of the easement document. Staff has no objection to the right-of-entry.

#### **RECOMMENDATION**: That the Board:

- 1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
- 2. Authorize the issuance of a perpetual non-exclusive easement to Hawaiian Electric Company, Inc. covering the subject area for utility line purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time;
  - B. Easement shall deem to expire upon the cancellation of Governor's Executive Orders;
  - C. Review and approval by the Department of the Attorney General; and
  - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 3. Issuance of a construction and management right-of-entry permit to the Hawaiian Electric Company, Inc. covering the subject area for utility lines purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current right of entry document form, as may be amended from time to time and
  - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

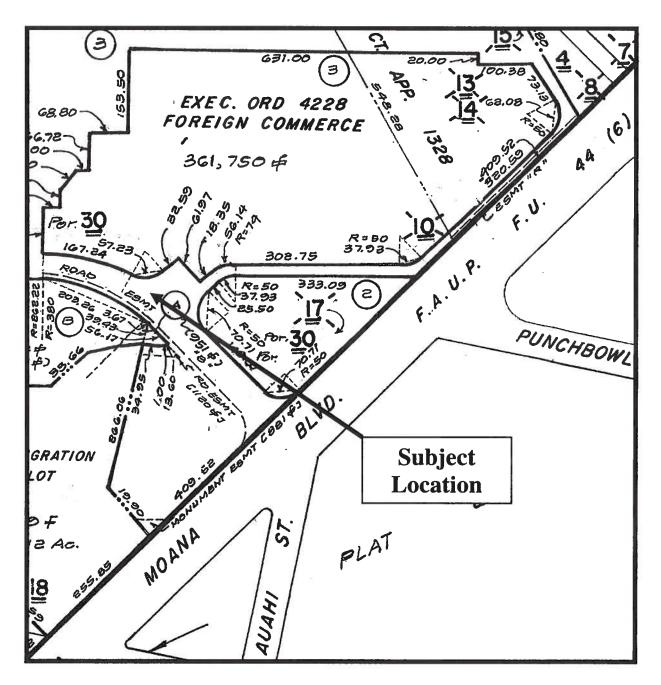
Respectfully Submitted,

Barry Cheung

District Land Agent

APPROVED FOR SUBMITTAL:

William J. Aila Jr., Chairperson



TMK (1) 2-1-015:009 and 030

# **EXHIBIT A**

#### **EXEMPTION NOTIFICATION**

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and

Chapter 11-200, HAR

Project Title: Grant of Perpetual, Non-Exclusive Easement for Utility Lines

Purposes for Foreign Trade Zone

Project / Reference No.: PSF 14OD-080

Project Location: Honolulu, Oahu; Tax Map Key: (1) 2-1-15:portions of 09 and 30

Project Description: Installing utility lines

Chap. 343 Trigger(s): Use of State Land

Exemption Class No.: In accordance In accordance with Hawaii Administrative Rule

Section 11-200-8(a)(3) and (4) with the Division of Land Management's Environmental Impact Statement Exemption List, approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 3, that states "Construction and location of single, new, small equipment and facilities and the alteration and modification of same, including, but not limited to: ... (d) water, sewage, electrical, gas, telephone, and other essential public utility services extensions to serve such structures or facilities"; and Exemption Class No. 4, that states "Minor alteration in the conditions of land, water, or

vegetation",

Staff believes that the proposed line would involve negligible or no expansion or change in use of the subject areas beyond that previously existing and there would be minimal alteration in the conditions of land, water or vegetation. Therefore, staff recommends the subject request exempt from the preparation of an

environmental assessment.

Consulted Parties As noted in the submittal

Recommendation: It is anticipated this project will probably have minimal or no

significant effect on the environment and is presumed to be exempt

from the preparation of an environmental assessment.

William J. Aila, Jr., Chairperson

Date: 6/16/14

**EXHIBIT B** 

